

VZCZCXYZ0000
RR RUEHWEB

DE RUEHGB #3732/01 3171126
ZNY SSSSS ZZH
R 131126Z NOV 07
FM AMEMBASSY BAGHDAD
TO RUEHC/SECSTATE WASHDC 4326
INFO RUCNRAQ/IRAQ COLLECTIVE

S E C R E T BAGHDAD 003732

SIPDIS

NOFORN
SIPDIS

E.O. 12958: DECL: 11/12/2017

TAGS: [EFIN](#) [PREL](#) [PGOV](#) [IR](#) [IZ](#)
SUBJECT: DPM BARHAM SALEH DISCUSSES LEGISLATION, TURKEY,
MINISTERIAL CHANGES, AND OTHER ISSUES

Classified By: Ambassador Ryan C. Crocker for reasons 1.4 (b) and (d).

¶1. (S/NF) Summary: In a November 6 meeting, DPM Barham Saleh told the Ambassador, U/S Jeffery, and S/I Satterfield that passage of the de-Ba'athification law is possible, but he is not as confident on the oil law. He noted the Council of Ministers (CoM) signed on to the de-Ba'athification law and Deputy CoR Speaker Attiyah is not opposed to it, but that there is no "political will to pass it." On Turkey and the PKK, he thanked the USG for its efforts to improve the situation, but was reminded by the Ambassador that the problems will not go away if steps are not taken against the PKK. Regarding ministerial changes, Saleh said PM Maliki has selected Ahmad Chalabi to become Minister of Communications and thinks the new ministerial appointments for Agriculture and Health will remain, despite some objections in the CoR. He commented on the turmoil of Iraqi internal politics and dissatisfaction among the Kurds, Sunnis, and even ISCI and said power-sharing and reviving the 3 1 leadership arrangement can help improve this status. End summary.

LEGISLATION - DE-BA'ATH AND OIL LAWS, AND THE BUDGET

¶2. (S/NF) Regarding the de-Ba'athification and hydrocarbon laws, DPM Barham Saleh said, "The de-Ba'athification law can be done, but I am not sure on the oil law." He said the Kurds are stuck on an earlier (February draft) of the hydrocarbon/oil law. In response to a question from S/I Satterfield regarding his knowledge of the ten Kurdish contracts, Barham said, "I do not know the details, I have not seen them." He lamented that Oil Minister Shahrastani is not helping with the efforts to pass the oil law and said he is "not good news."

¶3. (S/NF) On the de-Ba'athification law, DPM Saleh noted the CoM "all signed on to it" and it was subsequently sent to the CoR. He noted Deputy Speaker Khalid Attiyah is "not opposed to it," but added the political will is not there to pass it. In response to whether the CoM could send the "correct" leadership version of the de-Ba'athification law to the CoR (again), Saleh negated this prospect given the CoM already voted on the issue. When the Ambassador asked whether the Presidency Council could send the de-Ba'athification law to the CoR, he responded there is support among VP Adil abd al-Mahdi, President Talabani, and VP Hashimi, but he did not indicate whether the Presidency Council would do so. However, to get the discussions moving, DPM Saleh said he would commence a preparation group in the near future to push the issue. When the de-Ba'athification law reaches the CoR, DPM Saleh said the CoR should just "vote up or down" on the law to pass it.

¶4. (S/NF) On the budget DPM Saleh said the GOI will be finalizing the budget very soon. He said right now they have decreased the security portion of the budget to 8.4 billion

USD instead of 9 billion USD. He noted the 9 billion USD is tough to get at since the IMF is asking that a small portion of oil revenues be deposited into the DFI instead of the GOI budget. The Ambassador and S/I Satterfield pushed back, saying that 9 billion USD is a better figure given security needs. Saleh also noted that President Talabani signed for 275 million USD in the Dhi Qar area for security in reference to the Nasiriyah forum on November 10.

TURKEY AND THE PKK

15. (S/NF) When the topic switched to the escalating tensions between the Kurds and Turkey over the PKK, DPM Saleh noted, "The USG's position on Turkey saved us." The Ambassador, in response, stressed that the problems with Turkey will not go away until the GOI and Kurds address the long-term problems with the PKK. DPM Saleh raised the restrictions on travel and delays caused at the Irbil airport as one of the side effects of the crisis.

16. (S/NF) DPM Saleh expressed his concern of the long-term threat of the PKK on stability in the North and noted, "I am not a friend of the PKK, they are a threat to us." He added there are things the GOI can do to prevent their access, such as sharing intelligence with the Turks. He asserted that an attack from Turkey against the PKK would decimate the North and lead to another cycle of violence. DPM Saleh said the PKK crisis has reinforced that the Kurds need to play a role in the GOI. He also criticized PM Maliki's handling of the crisis and said he did not use the political leverage necessary to resolve the situation. S/I Satterfield encouraged more KRG representation on the issue. DPM Saleh praised the Ambassador's trip to the Kurdish region on November 8 as a sign of bringing the senior leaders in the

KRG together. He urged the USG's help in getting the Turks to provide amnesty to the PKK as a key part of a long-term solution.

MINISTERIAL CHANGES

17. (S/NF) DPM Saleh said PM Maliki has offered the Ministry of Communications position to Ahmad Chalabi. (Note: Ahmad Chalabi is temporarily running the Services Committee given Zawba'i's resignation from his role as DPM and responsibilities over services. There is no official nomination from PM Maliki's office yet on Chalabi. End note). Sheikh Attiyah told DPM Saleh there was fifty-percent quorum when the session started during the vote on the Minister of Agriculture (Dr. Ali Hussain al-Bahadili) and Minister of Health (Dr. Salih Mahdi Muttalib al-Hsnawi) even though some CoR members left the room later. (Note: Due to objections of some CoR members during the approval process on October 30, however, these ministerial appointments were referred to the legal committee for more deliberations and a final report will be submitted to the Presidency Council of the CoR. There is no final ruling yet. End note). He made a special note of saying that Speaker Mashadani was "not happy" with the ministerial nominations and left the room as a demonstrative gesture to show his opposition. Regarding ministerial-parliamentary relations, DPM Saleh emphasized that both parts of the GOI need to do a better job of working together.

INTERNAL POLITICS - CURRENTLY WEAK

18. (S/NF) DPM Saleh emphasized during the discussion that the political situation is going in the wrong direction right now and will worsen if "political will" doesn't improve. He recently met with VP Hashimi and said Tawafuq must "get its act together" and decide whether or not it will return to the government or will become even weaker. He also commented the Kurds are unhappy on how the GOI is handling the Turkey issue and are feeling sidelined. He noted SCIRI (now ISCI) is not pleased with limited economic improvements. While not

criticizing PM Maliki directly, he urged the Ambassador to push the Sunnis and PM Maliki in the right direction to fix these dynamics.

¶9. (S/NF) DPM Saleh commented that the oil and de-Ba'ath laws in the near-term will not be as important as power-sharing in the government. He noted the Sunnis are desperate, and the Kurds are feeling it -- but not as badly. The Ambassador stressed the use of the 3 1 mechanism and exchange of views to bring concerns to the table. DPM Saleh also noted he thought there should be a "core cabinet" instead of the large CoM to improve decisionmaking in the GOI.

IRAN

¶10. (S/NF) DPM Saleh asked the Ambassador regarding the release of nine Iranians who represented themselves as Iranian diplomats, but are part of the Iranian Revolutionary Guard. The Ambassador responded that two of the five Quds Forces members arrested in Irbil were released. Saleh responded, "We must keep the Iranians in suspense since the situation is getting worse." He also mentioned the overwhelming influence of Iran in the GOI.

CROCKER